




Commonwealth of Massachusetts
Executive Office of Health and Human Services
Division of Medical Assistance
600 Washington Street
Boston, MA 02111
www.mass.gov/dma

Eligibility Operations Memo 02-19
December 15, 2002

TO: MassHealth Eligibility Operations Staff

FROM: Russ Kulp, Assistant Commissioner, Member Services 

RE: **Elimination of Qualifying Individual-2 (QI-2) Benefit Payments**

Introduction

The federal Balanced Budget Act of 1997 required states to provide assistance with payment of Medicare Part B premiums for certain low-income Medicare beneficiaries, known as Qualifying Individuals (QIs). These Medicare beneficiaries must not be eligible for any other MassHealth coverage type.

Through the state Medicare Buy-In process, MassHealth has been paying the full cost of Medicare Part B monthly premiums for members with income at or above 120% of the federal poverty level (FPL) and less than 135% of the FPL (QI-1). MassHealth has also been paying a small portion of the cost of Medicare Part B premiums for members with income at or above 135% of the FPL and less than 175% of the FPL (QI-2). The QI-2 payment is currently \$3.91 per month.

Congress has not extended the QI-2 benefit beyond December 31, 2002.

Therefore, the Division will not provide QI-2 benefit payments for new or existing MassHealth members as of January 1, 2003.

Advance Noticing

MassHealth members who were receiving QI-2 benefits (category 89) on December 1, 2002, were issued a 30-day advance notice of the termination of QI-2 benefits. The notice informed members that, because this action is due to federal regulation, they could not appeal the loss of this benefit. A copy of this notice is at www.state.ma.us/dma/whatsnew/QI2notice_eng.pdf.

The advance notice also advised QI-2 members to notify the Division of any changes in income so that they may be reevaluated for other MassHealth benefits.

Notices directed these members to the Tewksbury MEC.

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**Termination of
QI-2 Benefits**

On December 31, 2002, MassHealth members who are receiving QI-2 benefits will be automatically redetermined through MA21 using the new Qualifying Individuals eligibility standards. Because these eligibility standards require countable income be less than 135% of the FPL as of January 1, 2003, the redetermination process will result in the termination of QI-2 benefits. Termination notices stating "Your countable income is over the program limit" will be sent to MassHealth members who are affected.

Regulations

Member regulations at 130 CMR 519.011(B) have been amended to reflect this change.

Systems Changes

MA21 has been modified to calculate QI-2 benefit payments to end on December 31, 2002 and to eliminate any eligibility determinations for QI-2 benefit payments as of January 1, 2003.

Questions

For questions about this memo, please contact the MassHealth Policy Hotline through your office designee.
